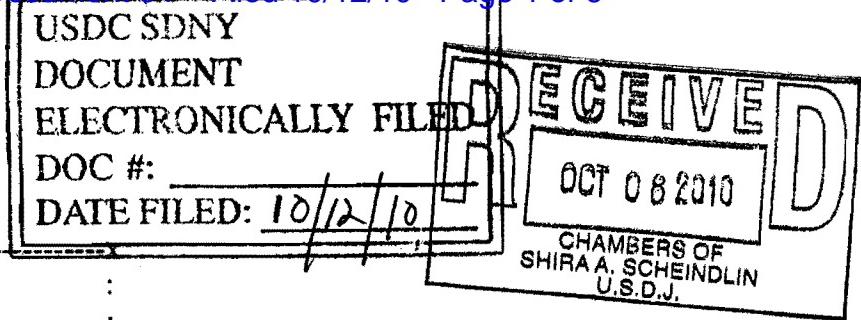


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



WACHOVIA CORPORATION,

Plaintiff,

- against -

CITIGROUP INC.,

Defendant.

No. 08 Civ. 8503 (SAS)

ECF

STIPULATION AND
[PROPOSED] ORDER

X

WHEREAS, the parties have agreed to various procedural issues set forth below, and in a Stipulation and Proposed Order that is simultaneously being filed in an action pending in the Supreme Court, New York County, captioned *Citigroup Inc. v. Wachovia Corporation, et al.*, Index No. 602872-08, which is annexed hereto as Exhibit A;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by the parties, by and through their undersigned counsel, that:

1. Plaintiff shall file an Amended Complaint on or before October 14, 2010. Defendant shall file its Answer to the Amended Complaint on or before October 28, 2010.

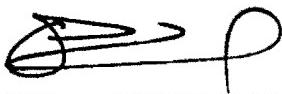
2. Defendant's consent to this Stipulation is without prejudice to, and shall not constitute a waiver of, any and all rights Defendant may have with respect to such Amended Complaint, including but not limited to Defendant's right to assert any defenses it may have to the claims or relief requested in the Amended Complaint.

3. The July 29, 2009 Scheduling Order in the above-captioned action, as modified by the June 10, 2010 Order in the above-captioned action, is amended as follows:

- (A) The deadline for completion of fact discovery shall be extended to December 17, 2010; and
- (B) The deadline for completion of expert discovery shall be extended to March 31, 2011.

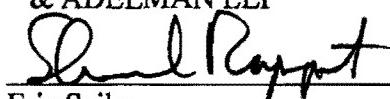
The pre-motion conference currently scheduled for Nov. 16, 2010 is adjourned until Feb. 16, 2011 at 4:30pm.
Dated: October 7, 2010

GREGORY P. JOSEPH LAW OFFICES LLC



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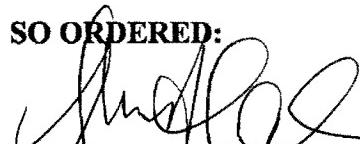
WILMER CUTLER PICKERING HALE
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Attorneys for Plaintiff

Attorneys for Defendant

SO ORDERED:


Hon. Shira A. Scheindlin
United States District Judge


10/8/10

EXHIBIT A

SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY: IAS PART 53

-----X
CITIGROUP INC., :
Plaintiff, : Index No. 602872-08
- against - : Hon. Charles E. Ramos
WACHOVIA CORPORATION, *et al.*, : STIPULATION AND
Defendants. : [PROPOSED] ORDER
-----X

WHEREAS, pursuant to the parties' Stipulation dated September 3, 2009 (the "2009 Stipulation"), Plaintiff agreed to stay its claims against all individual defendants in this action, subject to the terms and conditions set forth in the 2009 Stipulation; and

WHEREAS, by stipulation, the parties have been conducting discovery in tandem in the above-captioned Action and in *Wachovia Corp. v. Citigroup Inc.*, No. 08 Civ. 8503 (SAS), pending in the United States District Court for the Southern District of New York (the "Federal Action"); and

WHEREAS, the parties have agreed to jointly seek an extension of the fact discovery cutoff in both the above-captioned Action and in the Federal Action until December 17, 2010, and have agreed to various other procedural issues set forth below and in the Stipulation and Proposed Order that is simultaneously being filed in the Federal Action;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by the parties, by and through their undersigned counsel, that:

1. The deadlines set forth in the Court's October 1, 2009 Preliminary Conference Order (the "Order") for the completion of depositions (paragraph (4) of the Order) and fact discovery (paragraph (8) of the Order) are adjourned to December 17, 2010. The parties will discuss all other dates with the Court at the next compliance conference.

2. Plaintiff's claims against the following individual defendants are discontinued without prejudice pursuant to CPLR § 3217(b): Robert K. Steel, John D. Baker, II, Peter C. Browning, John L. Casteen, III, Jerry Gitt, William H. Goodwin, Jr., Maryellen C. Herringer, Robert A. Ingram, Donald M. James, Mackey J. McDonald, Joseph Neubauer, Timothy D. Proctor, Ernest S. Rady, Van L. Richey, Ruth G. Shaw, Lanty L. Smith, and Dona Davis Young (together, the "Wachovia Director Defendants").

3. Plaintiff shall file a Second Amended Complaint on or before October 14, 2010. The remaining Defendants shall file their Answer to the Second Amended Complaint on or before October 28, 2010.

4. Notwithstanding the discontinuance without prejudice of the claims against the Wachovia Director Defendants: (A) the Wachovia Director Defendants shall provide discovery in this action (including depositions), subject to the discovery rules applicable to parties and any scheduling orders or other orders pertaining to discovery entered in this action, as though the claims against the Wachovia Director Defendants had not been discontinued without prejudice; and (B) Robert K. Steel shall participate in any trial of this matter, if called upon to do so, subject to the evidentiary and other rules applicable to parties and any orders pertaining to trial entered in this action, as though the claims against him had not been discontinued without prejudice. Nothing in the foregoing shall prejudice any rights the Wachovia Director Defendants may have to present any defenses or objections available to parties with respect to discovery or trial, including but not limited to objections to attendance at trial.

5. The parties agree that the one-year period for removal of the above-captioned action under 28 U.S.C. § 1446(b) has expired, that the above-captioned action shall remain in this Court, and that the discontinuance of Plaintiff's claims against the Wachovia Director Defendants shall not constitute a basis for any attempt to remove the above-captioned action to the United States District Court for the Southern District of New York (the "Federal Court"). The remaining Defendants expressly waive any right they may have to remove the above-captioned action from this Court to the Federal Court.

6. Except as set forth in paragraph 5, Defendants' consent to this Stipulation is without prejudice to, and shall not constitute a waiver of, any and all rights Defendant may have with respect to such Second Amended Complaint, including but not limited to Defendant's right to assert any defenses it may have to the claims or relief requested in the Second Amended Complaint.

7. The terms and conditions of the 2009 Stipulation shall remain in full force and effect as it relates to all individual defendants other than the Wachovia Director Defendants.

Dated: October 7, 2010

GREGORY P. JOSEPH LAW OFFICES LLC

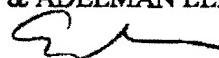


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Attorneys for Defendants

SO ORDERED:

Charles E. Ramos, J.S.C.